

<b>Item No.</b> 9.1	<b>Classification:</b> Open	<b>Date:</b> 3 August 2011	<b>Meeting Name:</b> Democracy Commission
<b>Report title:</b>		Clarification on community council budgets	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Strategic Director Communities Law & Governance	

## RECOMMENDATIONS

1. To note the responses to the issues raised on the community council budget at the meeting of the Democracy Commission on 8 July 2011.

## BACKGROUND INFORMATION

2. The Democracy Commission was provided with budgetary information on the expenditure on Community Councils for 2011/12 in the Information pack presented to members at the meeting of the commission held on 21<sup>st</sup> April 2011.
3. Further information on Community Council budgets was also provided at the closed session of the commission meeting held on 8<sup>th</sup> July 2011 that considered staffing matters.

## KEY ISSUES FOR CONSIDERATION

4. At the meeting of the Democracy Commission held on 8 July 2011 members asked for clarification on 3 issues relating to the costs of providing Community Councils. These were:
  - The total projected expenditure for the neighbourhoods team due to pensions adjustments and whether this meant a saving could already be identified.
  - The outturn figure for 2010/2011.
  - The Service Level Agreement Charges to Community Councils.

## Pension Adjustments

5. These represent accounting adjustments made as a result of the valuation of the council pensions scheme and are applied across the council. These elements of the budget are centrally controlled through the Finance & Resources Department and are not available to contribute to the savings that the commission is considering.

## Outturn figure for 2010/2011

6. In 2010/2011 the Neighbourhoods and Constitutional team budgets were underspent by a total of £17,967.54. The underspend is not available for use in

2011/2012 and is explained by the impact that the election had on the schedule of meetings meaning that one cycle of community council meetings was missed. Officers are currently projecting that these budgets will not underspend in 2011/2012.

### Service Level Agreements

7. These charges relate to accounting adjustments that allocate corporate costs to each service area across the council. They relate to the costs of provision of IT for staff working with Community Councils under the corporate contract and costs relating to central support services like finance, communications and so on.
8. As with the pension adjustments these costs are centrally controlled and are therefore not available to the Commission to contribute to the savings target and beyond the scope of the Democracy Commission review.

### AUDIT TRAIL

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<b>Report Author</b>	Stephen Douglass, Head of Community Engagement	
<b>Version</b>	Final	
<b>Dated</b>	21 July 2011	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Communities, Law & Governance	No	No
Finance Director	Yes	No
<b>Cabinet Member</b>	Yes/No	Yes/No
<b>Date final report sent to Constitutional Team</b>	25 July 2011	